

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

549



**FROM:** Executive Office

**SUBMITTAL DATE:**  
October 19, 2004

**SUBJECT:** FY 2004-05 Teeter Notes

**RECOMMENDED MOTION:** That the Board of Supervisors approve Resolution No. 2004-496, a resolution of the Board of Supervisors Supplementing its Master Teeter Resolution, and Providing for the Terms and Conditions of Additional Series B Teeter Plan Obligations.

**BACKGROUND:** Approval of Resolution No. 2004-496 provides for the financing of the FY 2004-05 Teeter Series B Obligations, estimated at \$34 million, utilizing the existing Commercial Paper Offering Program and secured with a Letter of Credit (LOC) from WestLB Bank. Generally, the Teeter Notes can be issued on a tax-exempt basis because, under the tax law, it is considered a deficit financing. However, because the Teeter Debt Service Fund balance (the fund into which delinquent property taxes collected are deposited) presently exceeds the amount needed to pay off the FY 2003-04 Teeter Notes (\$24 million) and the FY 2004-05 delinquent property tax amount (\$34 million), no deficit exists at this time. This makes it necessary to issue the FY 2004-05 Teeter Notes on a taxable basis. The Executive Office and the Auditor-Controller's Office are examining the fund to review the ownership of the funds and distribute them accordingly.

Departmental Concurrence

WestLB Bank has offered to extend the LOC until 2015 at the current rate, with the option to terminate in 2011, which is beneficial to the County. Resolution 2004-496 authorizes the County Executive Officer or designee to sign the necessary documents for the extension.

Dean Deines  
Deputy County Executive Officer

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 750,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	No
	Annual Net County Cost:	\$ N/A	For Fiscal Year:	04-05

<b>SOURCE OF FUNDS:</b> Tax Loss Reserve Fund	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** APPROVE.

**County Executive Office Signature**

- Policy
- Consent
- Policy
- Consent

COUNTY OF RIVERSIDE  
OFFICE OF THE CLERK  
RECEIVED

OCT 20 2004  
RECEIVED

Dep't Recomm.:  
Per Exec. Ofc.:

**Prev. Agn. Ref. | ATTACHMENTS FILED | District: | Agenda Number:**

**WITH THE CLERK OF THE BOARD**

**3.2**